

ORIGINAL

NEW APPLICATION



0000093538

Q MTN. MOBILE HOME PARK HOA
P.O. Box 4930
Quartzsite, AZ 85359

February 17, 2009

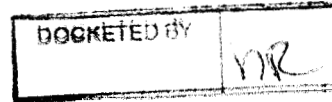
To: Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

From: Q Mountain HOA & Water Co.
P.O. Box 4930
Quartzsite, AZ 85359

Arizona Corporation Commission

DOCKETED

FEB 19 2009



W-02800A-09-0076

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AZ CORP COMMISSION
DOCKET CONTROL

In January of 2008 Q Mountain Water Company was informed that the water from one of our wells contained excessive amounts of Nitrates. It exceeded the permitted amount allowed by ADEQ by 100%. We were informed that the water was not safe to drink or cook with and that all the property owners must be notified of this fact, and that we must still provide a means for the property owners to have access to a safe supply of water to drink and cook with. At any time we had to use the contaminated well we had to notify all the property owners of the fact that the water was unsafe to use for drinking or cooking. We contracted with Yosemite Water of Blythe California to install three (3) 200 gallon storage tanks at our HOA Office and advised all the property owners that they should get their water to drink or cook with at this source until we could figure out what we could do to correct our problem of the nitrate contamination, as our one well would not be adequate to supply all the water required for our homeowners.

We contracted several well drillers about drilling another well, we thought this was our only option, but this was going to be very expensive. We put out a ballot to the Homeowners asking for them to approve a \$700.00 per lot special assessment as we did not have enough funds in our Water Company to drill a well.

We then found out that we might be able to hook-up to the Town water supply.

We then had one well driller, and the Town came to one of our Homeowners Meetings and explain how much it might cost us to go with a well or hook-up to the Town Water.

The Town said that they would let us tie into them if we agreed to pay for the 680 feet of pipe, a meter and backflow devise. They required a Capacity Fee in the amount of \$750.00 per lot which is what they require for all hook-ups in town and they would back out much of their base fee as they did not want our Water Company as the system is too old.

The \$750.00 was to be paid over a five (5) year period at \$12.50 per month at a no interest, and it could be paid monthly, yearly or all at one time. After the property owners listened to the well driller and to the Town, the Homeowners Association sent out a letter to all the property owners and asked them what they wanted to do. The majority opted to hook-up to the Town Water supply and not have to worry about the water in the future.

The Town agreed to do the billing for the Capacity Fee's directly to the HOA members as it would save us money in the long run as our office would not have all the extra paperwork. We would still be reading our own meters and repairing our own system until such time as the Town puts new lines and meters in the subdivision. And we would still be billing the customers just like before. This will help us recover some of the cost of putting in the line from the Town Supply.

We will only be paying the Town for the water we use at their rate and the \$750.00 Capacity Fee.

The HOA needs to recover the amount of the \$186,500.00 in our request. This amount can be paid at \$12.50 per month, \$150.00 per year, or it can be paid all at one time. This will be billed to each lot owner over a five (5) year period at no interest. Either the HOA can collect it and forward it to the Town of Quartzsite, or the Town will bill it direct to each lot owner. The Town agreed to bill it directly to save the HOA the cost of the paperwork and time to do the billing, etc. The HOA Board thought this was the best way to go.

The HOA agreed to pay the cost of getting the water line to the subdivision which we put out for bid. We had bids from \$61,000.00 to \$75,000.00. These bids covered the 12 inch water line for approximately 680', a back-flow device, meter and all valves and fittings etc to get the system on line and included all labor and material to complete the job.


The HOA had enough funds to pay for getting the system on line and for the engineering costs for the job.

The estimates for a well ranged from \$85,000 just for the drilling to \$250,000.00 as we would need to go to approximately 800' to reach a good supply of safe, reliable water. The HOA did not have the funds to do this without borrowing the amount needed. Without any collateral on which to use, it would have required a lien on each lot owner. The lot owners did not want to have a lien on their property and elected to have the HOA hook-up to the Town. Please see attached information for size, capacity and etc.

On February 17, 2009 ADEQ inspected that Q Mountains wells were completely disconnected from the water system and they no longer considered us a Water Company. (See attached ADEQ form)

Sincerely,

For the Board of Directors of
Q Mountain HOA


Robert A Kelley Jr., President



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY NOTICE OF INSPECTION RIGHTS

FACILITY INFORMATION	ADEQ INFORMATION
Facility Name (Customer): <u>Mountain MHP HOA</u>	Date of Inspection: <u>2/17/09</u>
Facility Location (Place): _____	County: <u>La Paz</u>
Mailing Address: _____	Inspector: <u>Karen Berry</u>
Responsible Party: _____	Telephone: <u>602-771-4441</u>
On-Site Representative: <u>Bob Kelly</u>	Accompanied by: <u>Bds Kelly</u>
Telephone: _____	ADEQ Follow-up Contact: <u>Karen Berry</u>
Title: _____	Title: <u>Drinking Water Inspector</u>
Telephone: _____	Telephone: <u>602-771-4441</u>

The ADEQ representative(s) identified above were present at the above address on the above listed date and time. Upon entry to the premises, the ADEQ representative(s) met with me, presented photo identification indicating that they are ADEQ employees and explained:

- ☐ That the purpose of the inspection is to determine:
- ☐ Compliance with Title 49 of the Arizona Revised Statutes, Title 18 of the Arizona Administrative Code* and/or:
Arizona Revised Statutes: Title 49, Chapter 351 et seq., Article _____
Arizona Administrative Code: Title 18, Chapter 4 et seq., Article _____
Permit/Agreement Number: _____
 - ☐ Qualification for a license issued pursuant to:
Arizona Revised Statutes: § _____
Arizona Administrative Code: R 18-5-101 et seq.
 - ☐ That this inspection is conducted pursuant to the authority granted in Arizona Revised Statutes § 49-104(B)(8) and/or:
Arizona Revised Statutes: § _____
Arizona Administrative Code: R 18-4-122
 - ☐ Permit/Agreement Number : _____
- ☐ That the fee for this inspection is: None

*The Arizona Revised Statutes (A.R.S.) can be found on the internet: www.azleg.state.az.us/ArizonaRevisedStatutes.asp while the Arizona Administrative Code (A.A.C.) can be found at www.azsosaz.gov/public_services/Table_of_Contents.htm

While I have the right to refuse to sign this form, the ADEQ representatives may still proceed with the inspection

☐ I have read both sides of this notice and discussed any questions or concerns with the ADEQ representatives.

Signature of Regulated Person or Authorized On-Site Representative

Date

☐ The regulated person or authorized on-site representative refused to sign.

Name of Regulated Person or Authorized On-Site Representative

Title

☐ The regulated person or an authorized on-site representative was not present at the facility.

Signature of ADEQ Representative

Date

Q MTN. MOBILE HOME PARK HOA

P.O. Box 4930
Quartzsite, AZ 85359

Bids By:

Lemme Engineering Inc. plus lab tests & changes	\$5000.00 Plus \$2000.00 road ownership
The Holt Group	\$25,145.00

Bids By:

Mike's Contracting, Inc.	\$65,720.00
Callison Construction Co.	\$61,000.00
GD Plumbing & Supply, LLC	\$62,562.85
Bennett (verbal)	\$67,500.00

Lemme Engineering Inc.

Retainer	\$1,500.00	ck. 1439
	\$1,500.00	ck. 1453
	\$ 287.50	ck 1475
inspection & testing	\$5,897.50	ck 1495
final inspection, testing and as-builts	\$ 547.50	ck 1503
TOTAL	<u>\$9,732.50</u>	
road ownership	\$2000.00	HOA Ck. 1400

Wes Huntley

Valve Check	\$45.00	Ck. 1491
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Callison Construction

equipment & supplies & labor for above not in contract	\$1,500.00	9-11-08	ck 1465
	\$19,000.00	9-18-08	ck 1471
	\$19,000.00	9-22-08	ck 1476
\$800.00 deducted for Town of Qtz deposit	\$17,200.00	10-8-08	ck 1487
final payment & additional work	\$ 5,824.00	10-28-08	ck 1500
TOTAL	<u>\$62,524.00</u>		

TOTAL FOR WATER PROJECT \$72,301.50